

MEMORANDUM

To: County Council Finance Committee

Cc: Chris Murray, Sybil Haney, David Merriman

From: Ken Surratt, Special Assistant to the County Executive

Subject: UPDATED College Savings Account Program Budget

Date: September 5, 2013

The projected first year new appropriation for the College Savings Account Program will be \$1.95 million. The budget includes:

- \$1.55 million - annual account investment at \$100/student
- \$75,400 – 1.0 FTE salary plus benefits
- \$199,600 – program marketing and outreach, printing and mailing
- \$125,000 – technology and contracting

As this is a new program, there will need to be heavier marketing costs as well as one-time technology infrastructure development costs in the first year. Mailings and printing of enrollment and informational packets each year should remain fairly consistent but the marketing, technology and contracting costs will be reduced in future years. As the general awareness of the program grows and because there will be only technology maintenance costs as opposed to development and customization of the technology infrastructure needed to manage the program those costs will go down. We are investing in the infrastructure at the onset of the program in order to automate the majority of the processes which in turn will require less human capital for the program to scale and sustain itself.

Three staff will support the development and implementation of the program. We are leveraging existing staff for two of the positions - one position is a Special Assistant based in the Executive's office (80%) and the other is a Program Officer at Invest in Children (50%). Only one additional position is requested in this appropriation. By comparison, the City of San Francisco currently uses only one full time person and two part time staff to manage its program which grows by 4,000 students each year. All other costs are programmatic and necessary to develop the infrastructure to monitor and report on the program as well as inform the community of the new program.

MEMORANDUM

Account	Budget
15,500 College Savings Accounts x \$100.00 ea.*	\$1,550,000.0 0
Personnel	Budget
Analyst (To be Hired)	\$58,000.00
Benefits (30%)	\$17,400.00
Total salaries and benefits	\$75,400.00
Other Costs	Budget
Marketing/Outreach	\$100,000.00
Printing	\$50,000.00
Mailing	\$49,600.00
IT	\$25,000.00
Contracting	\$100,000.00
Total	\$324,600.00

**Total new appropriations \$1,950,000.0
0**

Other Personnel	
Special Assistant (80%) & Program Officer (50%)	\$94,000.00
Benefits	\$28,200.00
Total	\$122,200.00

* The County anticipates that fluctuation in kindergarten enrollments will also lead to changes in Other Costs. Free balance from attrition and account "wilt" are not accounted for in the above budget; however we project 20% attrition each year that can be used for reinvestment or other repurposing within the program.